

**USER'S GUIDE**  
**FOR LABOR SURCHARGE AND EQUIPMENT RENTAL RATES**  
**April 1, 1999 - March 31, 2000**

Equipment Rental Rates are available on the Internet at:

**<http://www.dot.ca.gov/hq/construc/>**

For additional copies of the "Labor Surcharge and Equipment Rental Rates", send \$8.00 per book (tax included) to:

**CALTRANS PUBLICATIONS**  
**1900 ROYAL OAKS DRIVE**  
**SACRAMENTO, CALIFORNIA 95815**

or by **VISA or MASTERCARD** by telephone at (916) 323-5606

## **Changes**

Changes to the equipment rates in the April 1, 1999 book were the result of : 1) fuel costs decreased; 2) interest rates decreased; 3) Producers' Price Index increased; 4) sales tax was unchanged; and 5) freight (F.O.B.) rates were unchanged. Additionally, low-usage equipment was deleted and newer equipment models were added. A major change in the classification **[TRAIL]** was made to reflect industry nomenclature.

## **Labor Surcharge**

The labor surcharge compensates the contractor for statutory payroll items stipulated by various governmental agencies. The six items included are Workers' Compensation, Social Security, Medicare, Federal Unemployment, State Unemployment, and State Training taxes. The general rate is an average of the job classifications common to Caltrans projects. Changes to the labor surcharge in the April 1, 1999 book were the result of a decrease in Worker's Compensation rates. The rates were derived from using the pure premium rate approved by the Insurance Commissioner effective January 1, 1999 and increasing it by the historical statewide average expense. In the calculation of the labor surcharge for overtime work, the Worker's Compensation is not included on the premium portion of overtime, as provided by Worker's Compensation regulations.

The surcharge percentage to be applied to the actual wages paid as provided in Section 9-1.03A(1b) of the Standard Specifications will be **15 percent for regular time (RT)** and **13 percent for overtime (OT)**.

Exceptions to the general rate are listed below. The classifications were chosen because of very high Workers' Compensation Insurance costs. Contractors will be compensated at their employees worker's compensation rating, regardless of work being performed (e.g. "Drilling Contractor" performing traffic control will be compensated at the Drilling Surcharge rate). Questions or disputes should be directed to the Resident Engineer.

## EXCEPTIONS

<u>Type of Work Performed</u>	<u>Labor Surcharge Percent</u>	
	RT	OT
Concrete Construction - Bridge .....	17	15
Drilling .....	23	20
Fence & Guardrail Construction .....	23	20
Erection of structural metal for metal bridges, excluding sign bridge .....	19	16
Landscape Gardener .....	17	15
Mobil Crane & Hoist Service .....	18	16
Painting Steel Structures or Bridges .....	20	17
Pile Driving, not including drilled, cast-in-place concrete piles .....	18	16
Sign Erection or Repair .....	22	19
Wrecking & Demolition .....	17	15

For work that is determined by the Engineer to be covered by Longshoreman and Harbor Worker's Act, an appropriate labor surcharge will be established by the Engineer.